

EOG Resources, Inc.
P.O. 1910
Vernal, UT 84078

May 15, 2003

Utah Division of Oil, Gas, & Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, UT 84114-5801

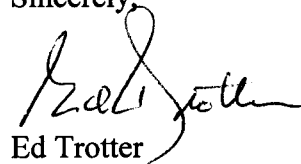
RE: APPLICATION FOR PERMIT TO DRILL
SOUTH CHAPITA 2-3
SW/SE, SEC. 3, T10S, R23E
UINTAH COUNTY, UTAH
LEASE NO.: UTU-80613
FEDERAL LANDS

Enclosed please find a copy of the Application for Permit to Drill and associated attachments for the referenced well.

Please address further communication regarding this matter (including approval) to:

Ed Trotter
P.O. Box 1910
Vernal, UT 84078
Phone: (435)789-4120
Fax: (435)789-1420

Sincerely,



Ed Trotter
Agent
EOG Resources, Inc.

Attachments

SOUTH CHAPITA 2-3 B

RECEIVED

JUN 02 2003

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

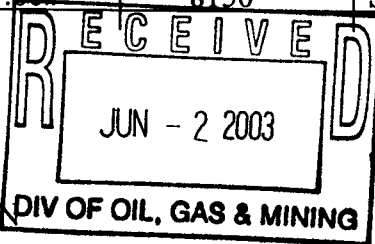
APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>			5. Lease designation and serial number UTU-80613		
b. TYPE OF WELL Oil <input type="checkbox"/> Gas <input checked="" type="checkbox"/> Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone <input type="checkbox"/>			6. If Indian, Allottee or Tribe name		
2. Name of Operator EOG RESOURCES, INC.			7. Unit Agreement Name		
3. Address and Telephone Number P.O. BOX 1910, VERNAL, UT 84078 (435)789-4120			8. Farm or lease name, well no. SOUTH CHAPITA 2-3		
4. Location of Well (Report location clearly and in accordance with any State requirements.) At surface 4425834 Y 39.97225 489' FSL & 2020' FEL 44296 X SW/SE - 109.31033 At proposed prod. Zone			9. API Well No. 43-047-35009		
14. Distance in miles and direction from nearest town or post office 28.12 MILES SOUTHEAST OF OURAY, UTAH			10. Field and pool, or wildcat NATURAL BUTTES		
15. Distance from proposed location to nearest property or lease line, ft. 489' (Also to nearest drig. Unit line, if any)			11. Sec., T., R., M., or BLK. and survey or area SEC. 3, T10S, R23E		
16. No. of acres in lease 642			12. County or parish UINTAH		
17. No. of acres assigned to this well			13. State UTAH		
18. Distance from proposed location to nearest well, drilling, completed, or applied for, on this lease, ft.			19. Proposed depth 8150'		
20. Rotary or cable tools ROTARY			21. Elevations (show whether DF, RT, GR, etc.) 5377.3 FEET GRADED GROUND		
22. Approx. date work will start UPON APPROVAL			23. PROPOSED CASING AND CEMENTING PROGRAM		

SIZE OF HOLE	GRADE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	J-55	8 5/8" (or)	24#	300' +/-	SEE 8 POINT PLAN
12 1/4"	J-55	9 5/8"	36.0#	300' +/-	SEE 8 POINT PLAN
7 7/8"	N-80	4 1/2"	11.60#	8150'	SEE 8 POINT PLAN

SEE ATTACHMENTS FOR:

8 POINT PLAN
BOP SCHEMATIC
SURFACE USE AND OPERATING PLAN
LOCATION PLAT
LOCATION LAYOUT
TOPOGRAPHIC MAPS "A", "B", AND "C"
GAS SALES PIPELINE—MAP "D"



CONFIDENTIAL

EOG RESOURCES, INC. WILL BE THE DESIGNATED
OPERATOR OF THE SUBJECT WELL UNDER
BOND #NM 2308

Pc: UTAH DIVISION OF OIL, GAS, AND MINING

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED [Signature] TITLE Asst DATE 5-15-2003

(This space for Federal or State office use)

PERMIT NO. 43-047-35009

FEDERAL APPROVAL OF THIS ACTION IS NECESSARY
APPROVAL DATE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY

APPROVED BY

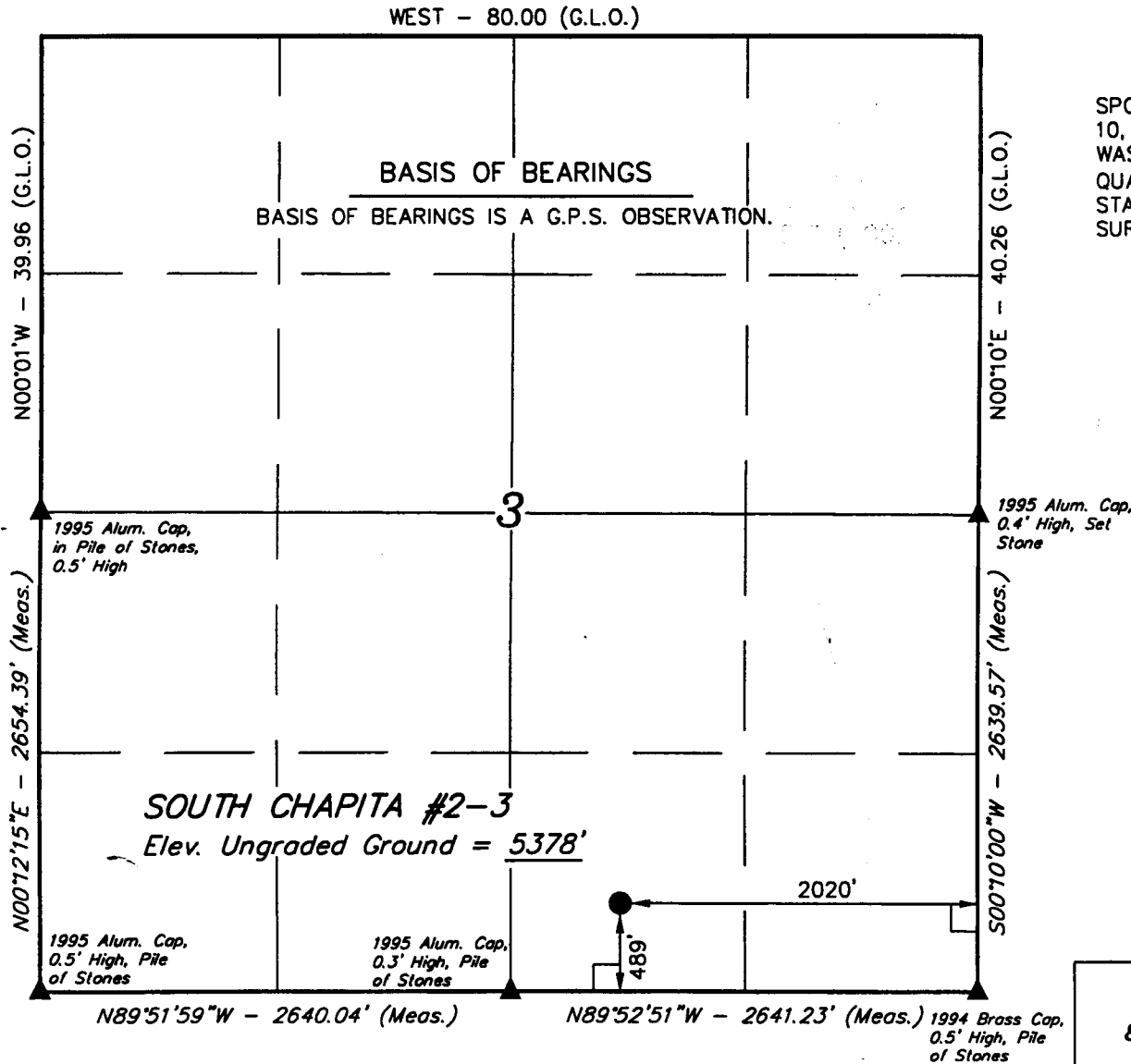
[Signature]
BRADLEY G. HILL
ENVIRONMENTAL SCIENTIST III

DATE 06-12-03

T10S, R23E, S.L.B.&M.

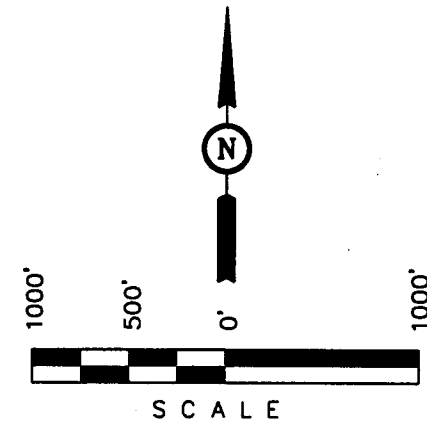
EOG RESOURCES, INC.

Well location, SOUTH CHAPITA #2-3, located as shown in the SW 1/4 SE 1/4 of Section 3, T10S, R23E, S.L.B.&M. Uintah County, Utah.



BASIS OF ELEVATION

SPOT ELEVATION AT THE SOUTHEAST CORNER OF SECTION 10, T10S, R23E, S.L.B.&M. TAKEN FROM THE ASPHALT WASH, QUADRANGLE, UTAH, UTAH COUNTY 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5484 FEET.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Robert L. Roberts
REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

LEGEND:

- └ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

(AUTONOMOUS NAD 27)

LATITUDE = 39°58'19.41" (39.972058)
LONGITUDE = 109°18'36.81" (109.310225)

SCALE 1" = 1000'	DATE SURVEYED: 4-11-03	DATE DRAWN: 4-15-03
PARTY G.S. J.R. C.G.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE EOG RESOURCES, INC.	

EIGHT POINT PLAN

SOUTH CHAPITA 2-3

SW/SE, SEC. 3, T10S, R23E, S.L.B.&M.

UINTAH COUNTY, UTAH

1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:

FORMATION	DEPTH	TYPE ZONES	MAXIMUM PRESSURE
Wasatch	4042		
Island	6268		
KMV Price River	6468		
KMV Price River Middle	6893		
KMV Price River Lower	7543		
Bit Trip Sego	7908		
Sego	7968		

EST. TD: 8150

Anticipated BHP 3500 PSI

3. PRESSURE CONTROL EQUIPMENT: BOP Schematic Diagram attached.

4. CASING PROGRAM:

<u>HOLE SIZE</u>	<u>INTERVAL</u>	<u>LENGTH</u>	<u>SIZE</u>	<u>WEIGHT</u>	<u>GRADE</u>	<u>THREAD</u>	<u>MINIMUM SAFETY FACTOR</u>		
							<u>COLLAPSE</u>	<u>BURST</u>	<u>TENSILE</u>
12 1/4"	0' - 300'±	300'±	8 5/8	24.0 #	J-55	ST&C	1370 PSI	2950 PSI	263,000#
or									
12 1/4"	0' - 300'±	300'±	9 5/8	36.0 #	J-55	ST&C	2020 PSI	3520 PSI	394,000#
7 7/8"	0' - 8150'	8150'	4 1/2	11.60 #	N-80	LT&C	3310 PSI	4790 PSI	132,000#

If conductor drive pipe is used, it will be left in place if its total length is less than 20 feet below the surface. If the total length of the drive pipe is equal to or greater than 20 feet, it will be pulled prior to cementing surface casing, or it will be cemented in place. The minimum diameter of the conductor drive pipe will be 13 3/8".

All casing will be new or inspected.

5. Float Equipment:

SURFACE HOLE PROCEDURE (0-500' Below GL):

Guide Shoe

Insert Baffle

Wooden wiper plug

Centralizers: 1 – 5-10' above shoe, every collar for next 3 joints (4 total).

Have bottom of first collar tack-welded, guide shoe and top of first collar thread-locked.

PRODUCTION HOLE PROCEDURE (500-TD'):

Texas-Pattern shoe, short casing shoe joint (±20'), Float Collar, and balance of casing to surface. Run short casing joint (< 38') at ±4850' (1000' above projected top of Wasatch). Centralize 5' above shoe

EIGHT POINT PLAN
SOUTH CHAPITA 2-3
SW/SE, SEC. 3, T10S, R23E, S.L.B.&M.
UINTAH COUNTY, UTAH

Float Equipment (Continued):

PRODUCTION HOLE PROCEDURE (500-TD'):

on joint #1, top of joint #2, then every 4th joint to 5400' (400' above Wasatch top - 15 total). Thread lock shoe, top and bottom of FC, and top of 2nd joint.

6. MUD PROGRAM:

SURFACE HOLE PROCEDURE (0-500' Below GL):

Air – Air Water Mist

PRODUCTION HOLE PROCEDURE (500-TD'):

Water (circulate through reserve pit). POLYPLUS sweeps for hole cleaning, Paper & gel sweeps to seal off loss zones. Add LIME to reserve pit to keep clear. Stay on as clear of fluid as long as possible. For trips, slug drillpipe and fill hole with cheapest combination of brine and 9.2 ppg mud (pre-mixed in rig mud tanks or from storage) to control gas. Once back on bottom after trip, turn flow back and recirculate through reserve pit to resume drilling ahead. Increase POLYPLUS sweep frequency as you near TD in preparation to running casing. If mud-up becomes necessary to run casing, or for hole sloughing and/or control of water and gas flows, mix DUROGEL and POLYPLUS if chloride content of mud will allow or SALT GEL if chloride content is high. When mudding up, add 6% LCM (mixture of Cedar Fiber, Paper, Cottonseed Hulls and Sawdust) to control losses.

7. VARIANCE REQUESTS:

- A. EOG Resources, Inc. requests a variance to regulations requiring a straight run blooie line (Where possible, a straight run blooie line will be used).
- B. EOG Resources, Inc. requests a variance to regulations requiring an automatic ignitor or continuous pilot light on the blooie line. (Not required on aerated water system).
- C. EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. To reduce location excavation, the blooie line will be 75' in length.

8. EVALUATION PROGRAM:

Logs:

BHC (SCHLUM BOREHOLE COMPENSATED SONIC)
SCHLUMBERGER PLATFORM EXPRESS

TD to Surface
TD to Surface casing

EIGHT POINT PLAN
SOUTH CHAPITA 2-3
SW/SE, SEC. 3, T10S, R23E, S.L.B.&M.
UINTAH COUNTY, UTAH

9. CEMENT PROGRAM:

SURFACE HOLE PROCEDURE (0-500' Below GL):

Lead: 275 sx. (100% excess volume) Class 'G' cement with 2% S1 (CaCl₂) & 0.25 pps D29 (cellophane flakes), mixed at 15.8 ppg, 1.15 cu. ft./sk., 4.95 gps water.

Top Out: Top out with Class 'G' cement with 2% S1 (CaCl₂) in mix water, 15.8 ppg, 1.15 cu. ft./sk., 4.95 gps via 1" tubing set at 25' if needed.

PRODUCTION HOLE (500-TD')

Lead: Class 'G' lead cement with 5% D44 (Salt), 12% D20 (Bentonite), 1% D79% (Extender), 0.25% D112 (Fluid Loss Additive), 0.2% D46 (Anti-Foamer) & 0.25 pps D29 (Cellophane flakes) mixed at 11.0 ppg, 3.91 ft³/sk., 24.5 gps water.

Tail: 50:50 Poz G w/ 2% D20 (Bentonite), 10% D44 (Salt), mixed at 14.1 ppg, 1.35 cu. ft./sk., 5.0 gps water.

10. ABNORMAL CONDITIONS:

PRODUCTION HOLE (300-TD')

Potential Problems: Lost circulation, asphaltic, black oil and large Trona water flows may be encountered in the Green River, beginning at 2297'. Monitor for and report any hydrocarbon shows and/or water zones. Although none of the immediate offset wells to the NDC 216-28 reported any significant gas flows from the Green River (2300-4000'), some wells drilled in the general area did encounter considerable amounts of gas from this interval. 10-11 ppg mud weights were required to kill gas flows in some of these wells. (Be alert for any flows, volume gains and/or losses.) In a like manner, while none of NDC 216-28's immediate offsets encountered severe deviation problems, a few wells in the general region have experienced acute deviation (up to 18° inclination) beginning around 2000'. This deviation problem has been determined to be associated with gilsonite-filled vertical faults, whose existence and extent are not able to be predicted beforehand. (Some offset wells around the NDC 216-28 experienced an increase in hole angle to 4 1/2° from 2000-4000', then fell back to "normal" inclination). Some wells in the area of the NDC 216-28 (all drilled with air/mist or aerated water) reported problems with sloughing formation in the Wasatch while attempting to mud up for logs or to run casing. None anticipated.

EIGHT POINT PLAN

SOUTH CHAPITA 2-3
SW/SE, SEC. 3, T10S, R23E, S.L.B.&M.
UINTAH COUNTY, UTAH

11. STANDARD REQUIRED EQUIPMENT:

- A. Choke Manifold
- B. Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

12. HAZARDOUS CHEMICALS:

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

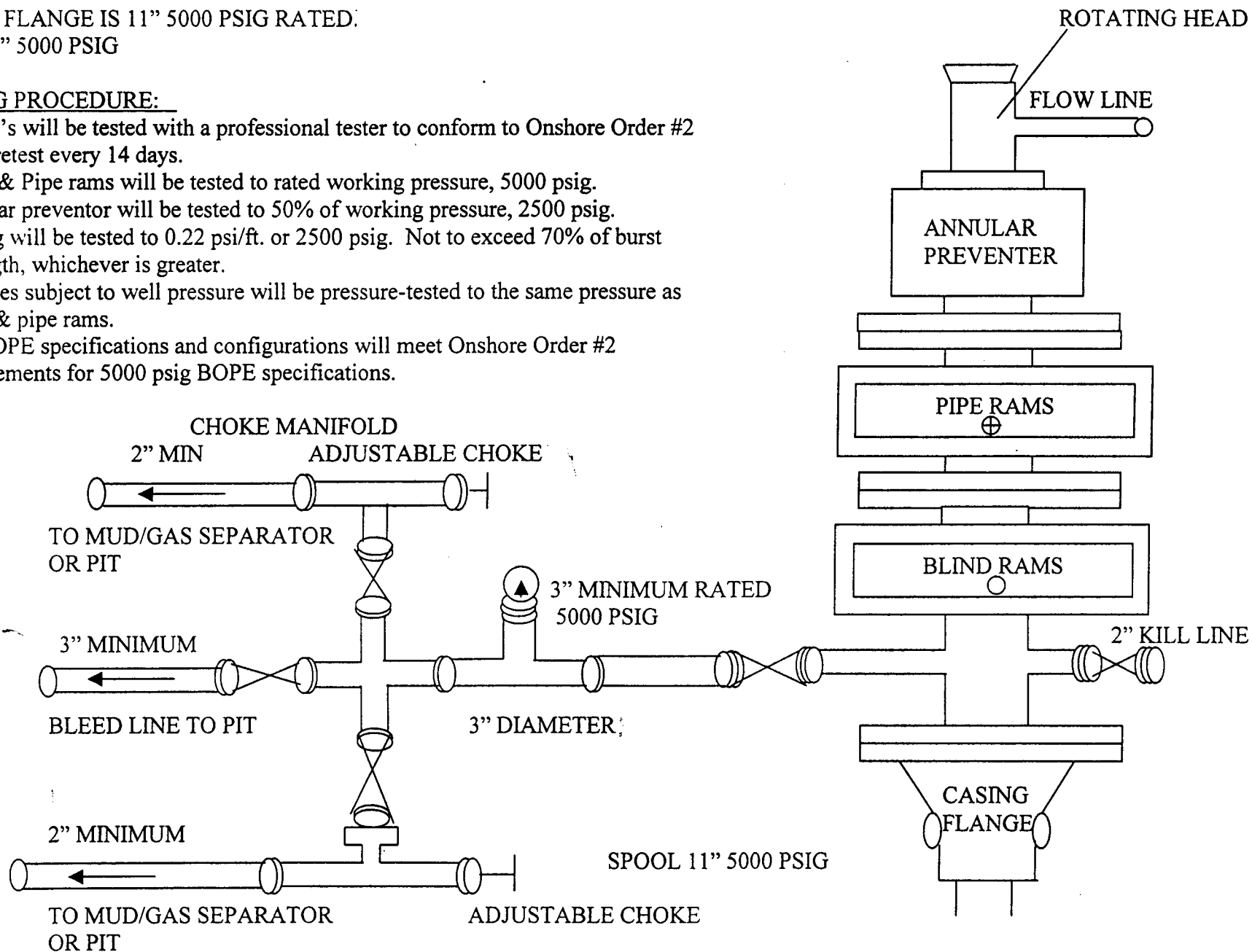
(Attachment: BOP Schematic Diagram)

5000 PSIG DIAGRAM

ANNULAR PREVENTOR AND BOTH RAMS ARE 5000 PSIG RATED.
CASING FLANGE IS 11" 5000 PSIG RATED.
BOPE 11" 5000 PSIG

TESTING PROCEDURE:

1. BOPE's will be tested with a professional tester to conform to Onshore Order #2 with retest every 14 days.
2. Blind & Pipe rams will be tested to rated working pressure, 5000 psig.
3. Annular preventor will be tested to 50% of working pressure, 2500 psig.
4. Casing will be tested to 0.22 psi/ft. or 2500 psig. Not to exceed 70% of burst strength, whichever is greater.
5. All lines subject to well pressure will be pressure-tested to the same pressure as blind & pipe rams.
6. All BOPE specifications and configurations will meet Onshore Order #2 requirements for 5000 psig BOPE specifications.



EOG RESOURCES, INC.
SOUTH CHAPITA #2-3
SECTION 3, T10S, R23E, S.L.B.&M.

PROCEED IN AN EASTERLY, THEN SOUTHERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 4.0 MILES TO THE JUNCTION OF STATE HIGHWAY 45; EXIT RIGHT AND PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 36.0 MILES TO BONANZA, UTAH AND THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE WEST; TURN RIGHT AND PROCEED IN A WESTERLY DIRECTION APPROXIMATELY 3.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 1.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 6.6 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTION ROAD TO THE WEST; TURN RIGHT AND PROCEED IN A WESTERLY DIRECTION APPROXIMATELY 1.2 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTH; FOLLOW ROAD FLAGS IN A SOUTHERLY DIRECTION APPROXIMATELY 100' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 53.3 MILES.

**CONDITIONS OF APPROVAL
FOR THE SURFACE USE PROGRAM OF THE
APPLICATION FOR PERMIT TO DRILL**

Company/Operator:	<u>EOG Resources, Inc.</u>
Well Name & Number:	<u>South Chapita 2-3</u>
Lease Number:	<u>UTU-80613</u>
Location:	<u>489' FSL & 2020' FEL, SW/SE, Sec. 3,</u> <u>T10S, R23E, S.L.B.&M., Uintah County, Utah</u>
Surface Ownership:	<u>Federal</u>

NOTIFICATION REQUIREMENTS

Location Construction - forty-eight (48) hours prior to construction of location and access roads.

Location Completion - prior to moving on the drilling rig.

Spud Notice: - at least twenty-four (24) hours prior to spudding the well.

Casing String and
Cementing - twenty-four (24) hours prior to running casing and cementing all casing strings.

BOP and related
Equipment Tests - twenty-four (24) hours prior to running casing and tests.

First Production
Notice - within five (5) business days after new Well begins or production resumes after Well has been off production for more than ninety (90) days.

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

THIRTEEN POINT SURFACE USE PROGRAM

1. EXISTING ROADS

- A. See attached Wellsite Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 28.12 miles southeast of Ouray, Utah - See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary. No off lease Right-of-Way will be required.

2. PLANNED ACCESS ROAD

- A. The access road will be approximately 100 feet in length. See attached TOPO Map "B".
- B. The access road has a 30 foot ROW w/ 18 foot running surface.
- C. Maximum grade on access road will be 8%.
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. No culverts, bridges, or major cuts and fills will be required.
- G. The access road will be dirt surface.
- H. No gates, cattleguards, or fences will be required or encountered.

New or reconstructed roads will be centerlined - flagged at time of location staking.

The road shall be upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Upgrading shall include ditching, drainage, graveling, crowning, and capping the roadbed as necessary to provide a well-constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot Right-of-Way will not be allowed.

Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossings nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by run off water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.

As operator, EOG Resources, Inc. shall be responsible for all maintenance on cattleguards, or gates associated with this oil and/or gas operation.

3. **LOCATION OF EXISTING WELLS WITHIN A ONE MILE RADIUS OF PROPOSED WELL LOCATION**

A. Producing wells - 7*

B. Shut in wells - 1*

(*See attached TOPO map "C" for location)

4. **LOCATION OF EXISTING AND/OR PROPOSED FACILITIES**

A. **ON WELL PAD**

1. Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of wellhead valves, combo separator-dehy unit with meter, 300 Bbl vertical or 200 Bbl low profile, condensate tank, and attaching piping.
2. Gas gathering lines - A 3" gathering line will be buried from dehy to the edge of the location.

B. **OFF WELL PAD**

1. Proposed location of attendant off pad flowlines shall be flagged prior to archaeological clearance.
2. A 3" OD steel above ground natural gas pipeline will be laid approximately 1954' from proposed location to a point in the NE/SW of Section 3, T10S, R23E, where it will tie into Questar Pipeline Co.'s existing line. Proposed pipeline crosses Federal lands, thus a Right-of-Way grant will be required.
3. Proposed pipeline will be a 3" OD steel, welded line laid on the surface.
4. Protective measures and devices for livestock and wildlife will be taken and/or installed where required.

If storage facilities/tank batteries are constructed on this lease, the facility/battery or the well pad shall be surrounded by a containment dike of sufficient capacity to contain, at a minimum, the entire contents of the largest tank within the facility/battery.

The production facilities will be placed on the Southeast side of the location.

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within 6 months of installation. Facilities

required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

The required paint color is Carlsbad Canyon.

If at any time the facilities located on public land and authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change), BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental or other financial obligation as determined by the authorized officer.

5. LOCATION & TYPE OF WATER SUPPLY

- A. Water supply will be from Ouray Municipal Water Plant at Ouray, Utah, and/or Target Trucking Inc.'s water source in the SW/SW, Sec. 35, T9S, R22E, Uintah County, Utah (State Water Right #49-1501). Produced water from the Chapita Wells and Stagecoach Units will also be used.
- B. Water will be hauled by a licensed trucking company.
- C. No water well will be drilled on lease.

6. SOURCE OF CONSTRUCTION MATERIAL

- A. All construction material for this location and access road will be of native borrow and soil accumulated during the construction of the location.
- B. All construction material will come from Federal Land.
- C. No mineral materials will be required.

7. METHODS OF HANDLING WASTE DISPOSAL

A. METHODS AND LOCATION

- 1. Cuttings will be confined in the reserve pit.
- 2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.
- 3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.
- 4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following three locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).

5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.
- B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit or be removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

On BLM administered land:

The reserve pit will be constructed so as not to leak, break, or allow discharge. If the reserve pit requires padding prior to lining (due to rocky conditions) felt padding will be used.

The reserve pit shall be lined with a plastic liner. A felt liner will also be installed if rock is encountered during pit construction.

8. **ANCILLARY FACILITIES**

- A. No airstrips or camps are planned for this well.

9. **WELLSITE LAYOUT**

- A. Refer to attached well site plat for related topography cuts and fills and cross sections.
- B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.
- C. Refer to attached well site plat for rig orientation, parking areas, and access road.
- D. The approved seed mixture for this location is:
 - Black Sage - 3 pounds per acre
 - Needle and Thread Grass – 3 pounds per acre
 - Hi Crest Crested Wheat Grass – 1 pound per acre

The reserve pit will be located on the South side of the location. The flare pit will be located downwind of the prevailing wind direction on the West side of the location, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.

The stockpiled pit topsoil will be stored separate from the location topsoil between Corners B and 5. The stockpiled location topsoil will be stored between Corners 1 and 2, and South of Corner #6. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture for this location and then walked down with a cat.

Access to the well pad will be from the Northwest.

Corner #8 will be rounded off to minimize excavation.

FENCING REQUIREMENTS:

All pits will be fenced according to the following minimum standards:

- A. Thirty-nine inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence).
- B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C. Corner posts shall be cemented and/or braced in such a manner as to keep the fence tight at all times.
- D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 feet.
- E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

The reserve pit fencing will be on the three sides during drilling operations and on the fourth side when the rig moves off the location. Pits will be fenced and maintained until clean-up.

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and, upon completion of construction, the fence shall be repaired to BLM or SMA specifications. A cattleguard with an adjacent 16 foot gate shall be installed in any fence where a road is to be regularly traveled. If the well is a producer, the cattleguards (shall/shall not) be permanently mounted on concrete bases. Prior to crossing any fence located on Federal land, or any fence between Federal land and private land, the operator will contact the BLM, who will in turn contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to satisfy himself/herself that the fence is adequately braced and tied off.

10. PLANS FOR RESTORATION OF SURFACE

A. PRODUCING LOCATION

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The stockpiled pit topsoil will then be spread over the pit area and broadcast seeded with the prescribed seed mixture for this location. The seeded area will then be walked down with a cat.

B. DRY HOLE/ABANDONED LOCATION

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and the BLM will attach the appropriate surface rehabilitation conditions of approval.

11. SURFACE OWNERSHIP

Access road: Federal

Location: Federal

12. OTHER INFORMATION

A. EOG Resources, Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the AO. Within five working days the AO will inform the operator as to:

-whether the materials appear eligible for the National Register of Historic Places;

-the mitigation measures the operator will likely have to undertake before the site can be used.

-a time frame for the AO to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

If the operator wished, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials that may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that required mitigation has been completed, the operator will then be allowed to resume construction.

- B. As operator, EOG Resources, Inc. will control noxious weeds along Right-of-Ways for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds will be obtained from the BLM, or the appropriate County Extension Office. On BLM administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.
- C. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on BLM lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)

Additional Surface Stipulations

None

LESSEE'S OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION

PERMITTING AGENT

Ed Trotter
P.O. Box 1910
Vernal, UT 84078
Telephone: (435)789-4120
Fax: (435)789-1420

DRILLING OPERATIONS

Donald Presenkowski
EOG Resources, Inc.
P.O. Box 250
Big Piney, WY 83113
Telephone: (307)276-4865

All lease or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approval plan of operations, and any applicable Notice to Lessees. EOG Resources, Inc. is fully responsible for the actions of their subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

A copy of the approved APD and ROW grant, if applicable, shall be on location during construction of the location and drilling activities.

Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions that presently exist; that the statements made in the Plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EOG Resources, Inc. and its contractors and subcontractors in conformity with this Plan and the terms and conditions under which it is approved.

5-15-2003
Date

Paul C. Jett
Agent

EOG RESOURCES, INC.
SOUTH CHAPITA #2-3
 LOCATED IN UTAH COUNTY, UTAH
 SECTION 3, T10S, R23E, S.L.B.&M.

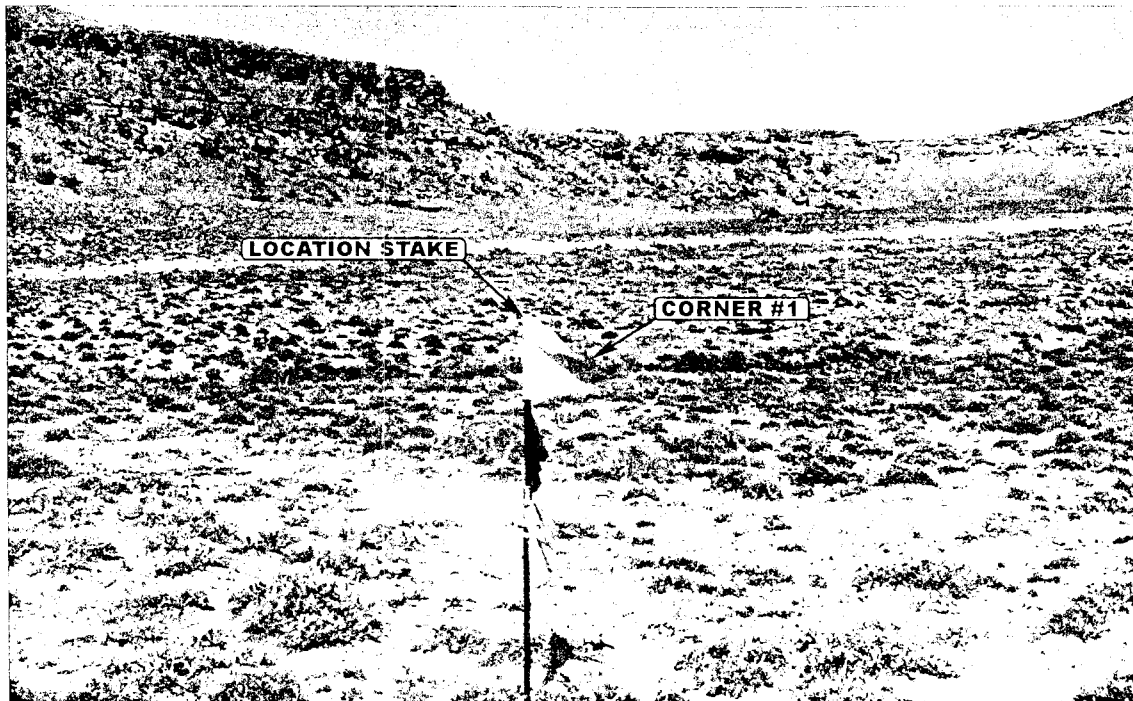


PHOTO: VIEW FROM LOCATION STAKE TO CORNER #1

CAMERA ANGLE: NORTHEASTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHERLY



E&L Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 435-789-1017 uels@uelsinc.com

LOCATION PHOTOS			04	22	03	PHOTO
			MONTH	DAY	YEAR	
TAKEN BY: J.E.	DRAWN BY: P.M.	REVISED: 00-00-00				

EOG RESOURCES, INC.

LOCATION LAYOUT FOR

SOUTH CHAPITA #2-3
SECTION 3, T10S, R23E, S.L.B.&M.
489' FSL 2020' FEL

Proposed Access
Road

County Road

F-11.0'
El. 66.3'

Sta. 3+25

SCALE: 1" = 50'
DATE: 4-15-03
Drawn By: C.G.

NOTE:
Flare Pit is to
be located a min.
of 100' from the
Well Head.

Approx.
Top of
Cut Slope

PT
Top Soil

Round Corners
as needed

Existing
Drainage

Sta. 1+50

F-5.2'
El. 72.1'

Approx.
Toe of
Fill Slope

Sta. 0+00

F-0.5'
El. 76.8'

El. 83.8' /
C-18.5'
(blm. pit)

Reserve Pit Backfill
& Spoils Stockpile

15' WIDE BENCH

20' WIDE BENCH

Pit Capacity
With 2' of
Freeboard is
± 12,250 Bbls.

RESERVE PITS
(12' Deep)

Sta. 0+18

20' WIDE BENCH

El. 86.4' /
C-21.1'
(blm. pit)

El. 85.1' /
C-7.8'

F-2.9'
El. 74.4'

C-1.2'
El. 78.5'

C-1.7'
El. 79.0'

C-6.6'
El. 83.9'

CATWALK

PIPE RACKS

RIG

DOG HOUSE

WATER

PUMP

MUD SHED

HOPPER

POWER

TOOLS

FUEL

TRASH

TRAILER

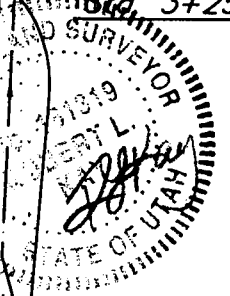
TOILET

FUEL

STORAGE
TANK

DATA

Topsoil Stockpile



Elev. Ungraded Ground at Location Stake = 5378.5'
Elev. Graded Ground at Location Stake = 5377.3'

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017

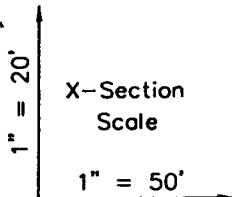
EOG RESOURCES, INC.

TYPICAL CROSS SECTIONS FOR

SOUTH CHAPITA #2-3

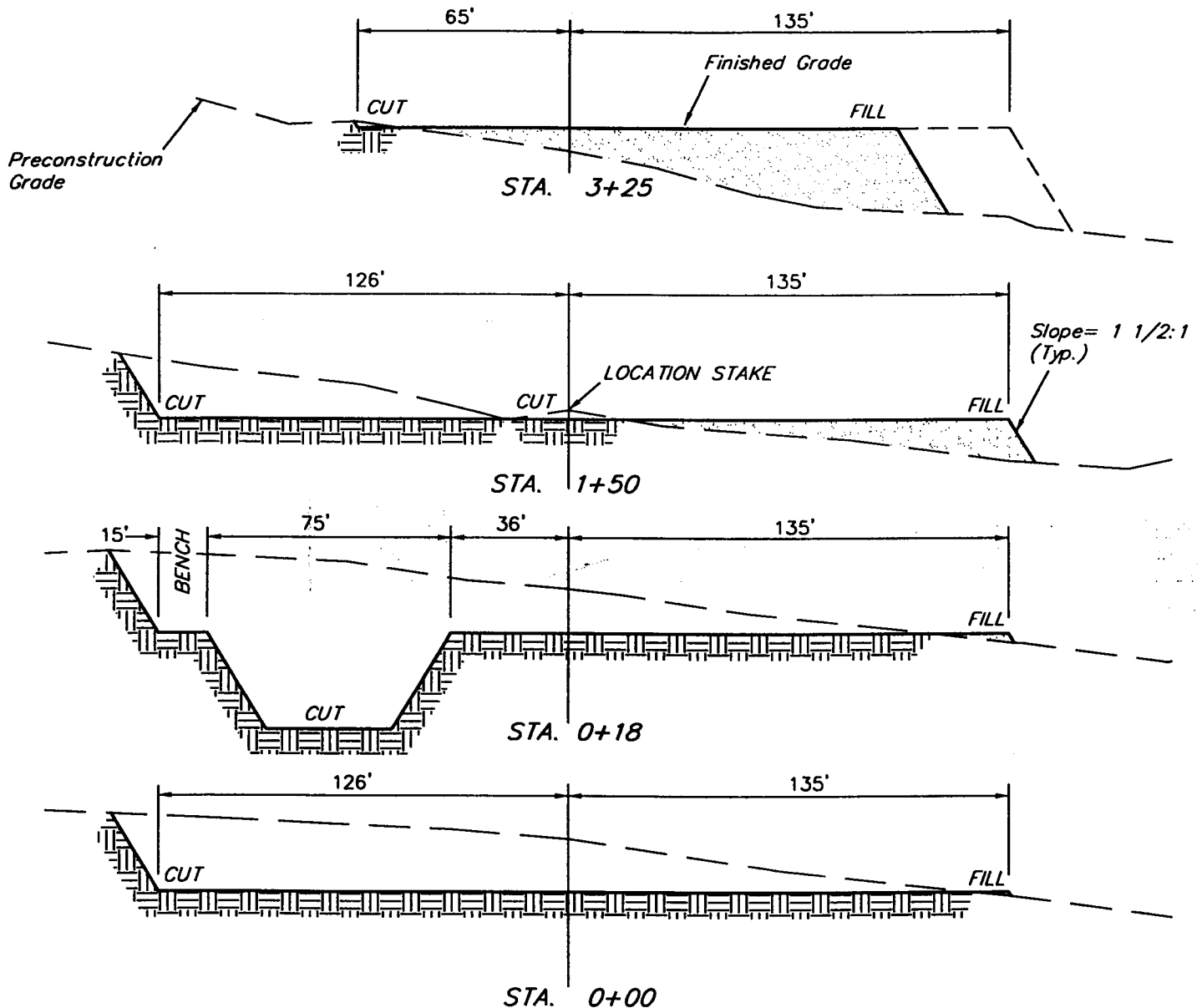
SECTION 3, T10S, R23E, S.L.B.&M.

489' FSL 2020' FEL



DATE: 4-15-03

Drawn By: C.G.

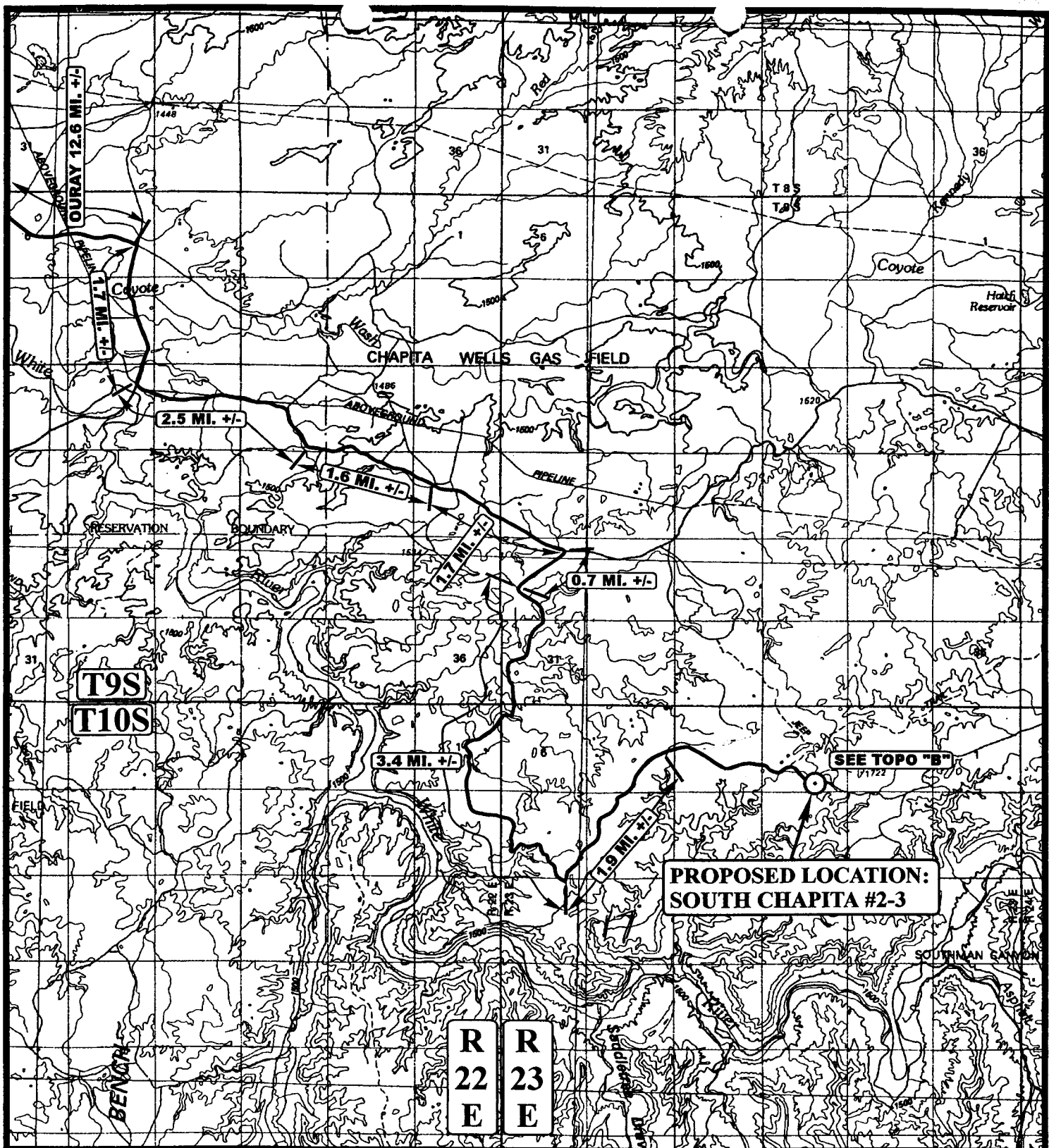


APPROXIMATE YARDAGES

(6") Topsoil Stripping	= 1,430 Cu. Yds.
Remaining Location	= 8,990 Cu. Yds.
TOTAL CUT	= 10,420 CU.YDS.
FILL	= 6,960 CU.YDS.

EXCESS MATERIAL AFTER 5% COMPACTION	= 3,090 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,090 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 0 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017



LEGEND:

PROPOSED LOCATION



Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813



EOG RESOURCES, INC.

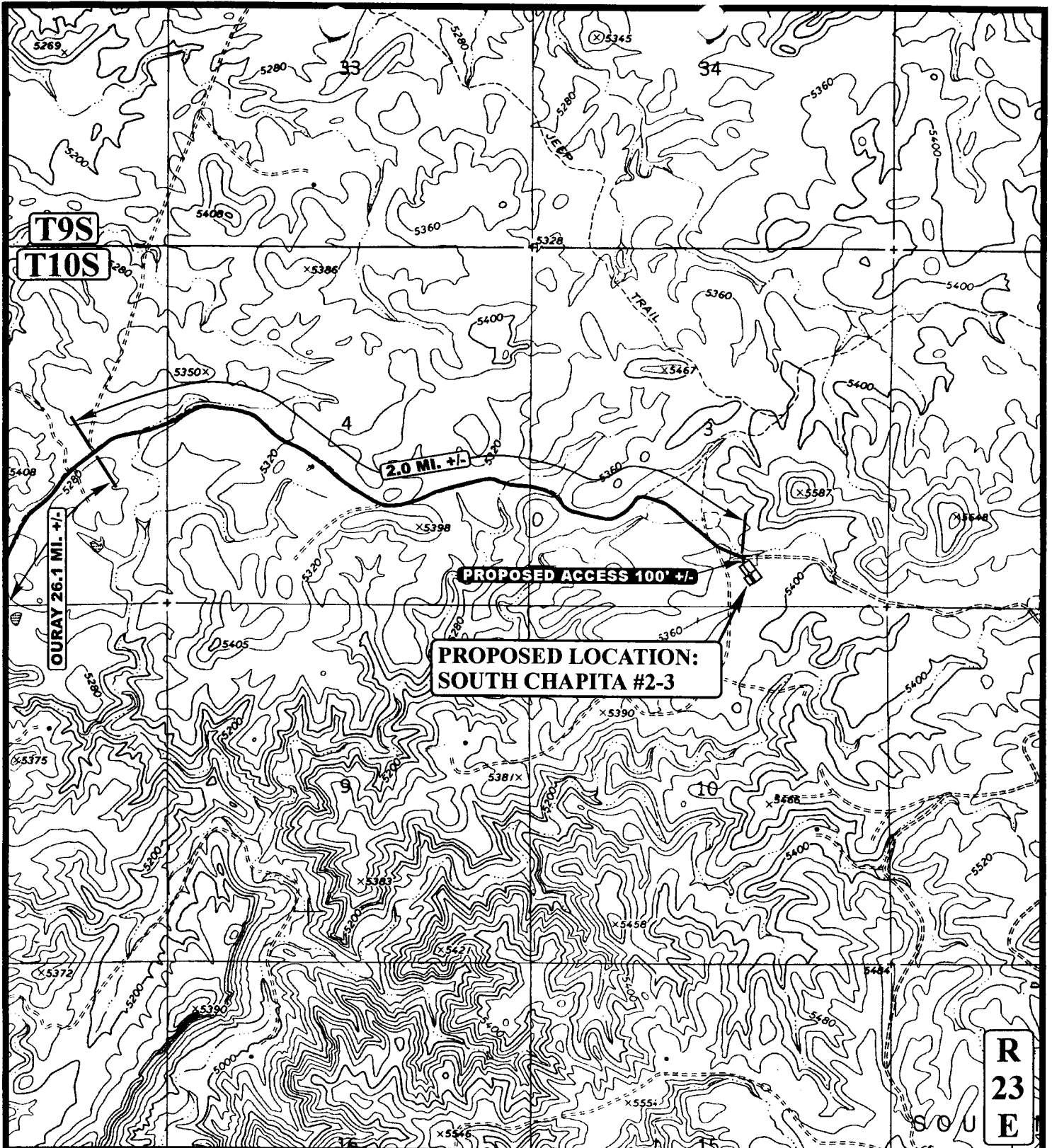
SOUTH CHAPITA #2-3
 SECTION 3, T10S, R23E, S.L.B.&M.
 489' FSL 2020' FEL

TOPOGRAPHIC
 MAP



04 22 03
 MONTH DAY YEAR

SCALE: 1:100,000 DRAWN BY: P.M. REVISED: 00-00-00





LEGEND:

 EXISTING ROAD
 PROPOSED ACCESS ROAD

EOG RESOURCES, INC.

SOUTH CHAPITA #2-3
SECTION 3, T10S, R23E, S.L.B.&M.
489' FSL 2020' FEL

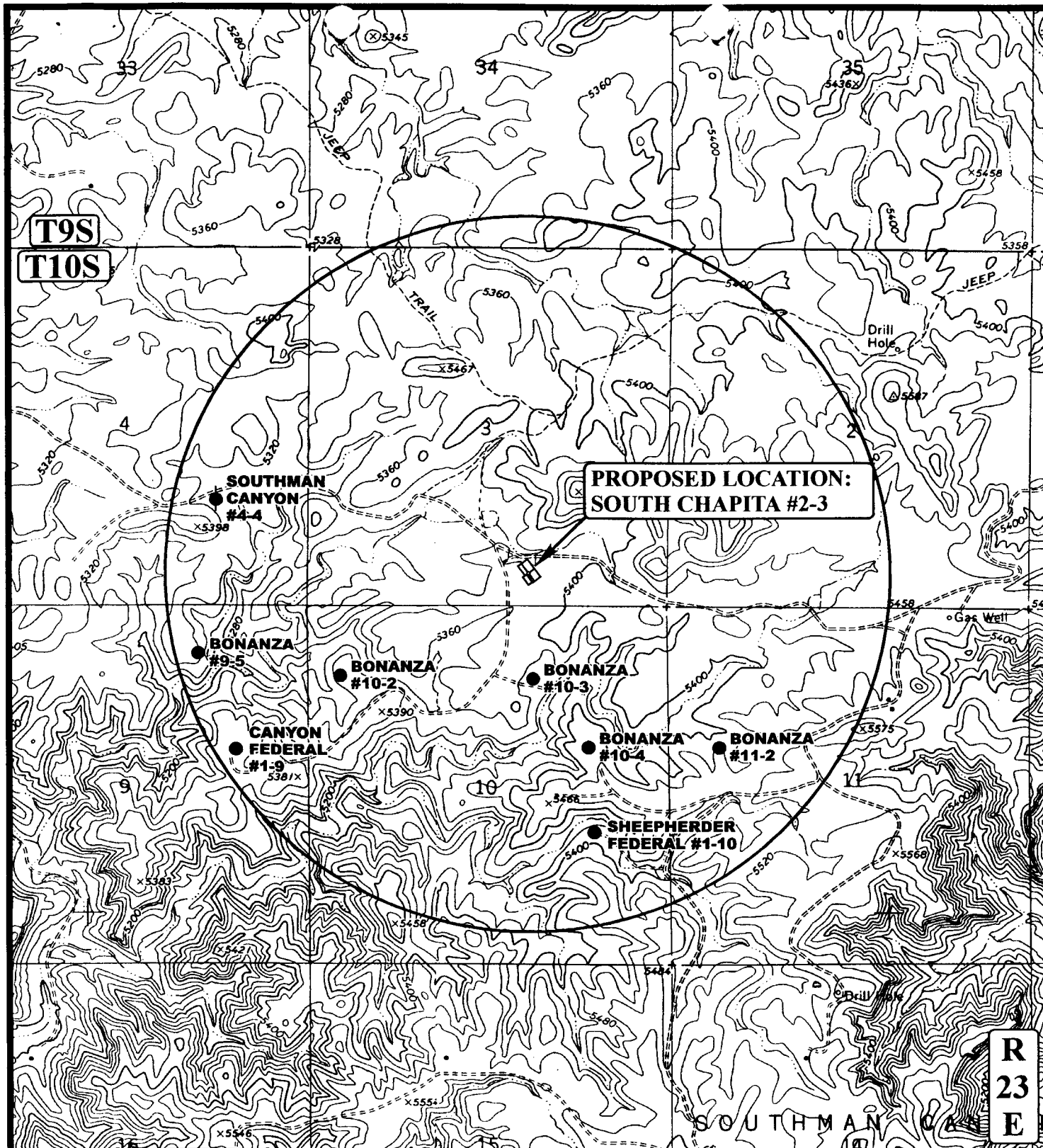


Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813



TOPOGRAPHIC 04 22 03
MAP MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: P.M. REVISED: 00-00-00





LEGEND:

- | | |
|-------------------|-------------------------|
| ○ DISPOSAL WELLS | ● WATER WELLS |
| ● PRODUCING WELLS | ● ABANDONED WELLS |
| ● SHUT IN WELLS | ● TEMPORARILY ABANDONED |

EOG RESOURCES, INC.

SOUTH CHAPITA #2-3
SECTION 3, T10S, R23E, S.L.B.&M.
489' FSL 2020' FEL



Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

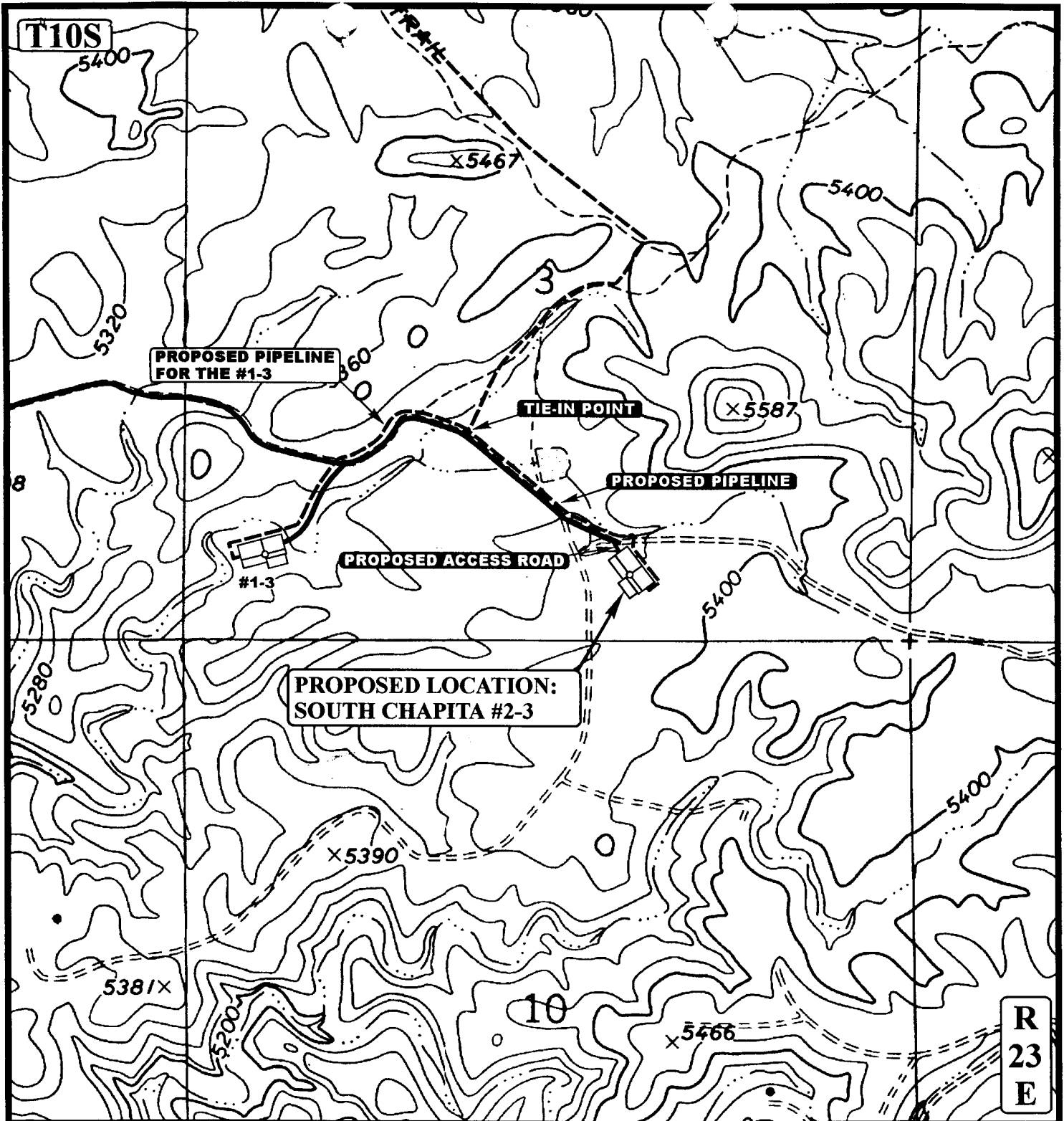


TOPOGRAPHIC
MAP

04 **22** **03**
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: P.M. REVISED: 00-00-00





APPROXIMATE TOTAL PIPELINE DISTANCE = 1,954' +/-

LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING PIPELINE
- PROPOSED PIPELINE

EOG RESOURCES, INC.

SOUTH CHAPITA #2-3
SECTION 3, T10S, R23E, S.L.B.&M.
489' FSL 2020' FEL



Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813



TOPOGRAPHIC			04	22	03
MAP			MONTH	DAY	YEAR
SCALE: 1" = 1000'		DRAWN BY: P.M.		REVISED: 00-00-00	

D
TOPO

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 06/02/2003

API NO. ASSIGNED: 43-047-35009

WELL NAME: S CHAPITA 2-3
 OPERATOR: EOG RESOURCES INC (N9550)
 CONTACT: ED TROTTER

PHONE NUMBER: 435-789-4120

PROPOSED LOCATION:

SWSE 03 100S 230E
 SURFACE: 0489 FSL 2020 FEL
 BOTTOM: 0489 FSL 2020 FEL
 UINTAH
 NATURAL BUTTES (630)

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LEASE TYPE: 1 - Federal
 LEASE NUMBER: UTU-80613
 SURFACE OWNER: 1 - Federal

LATITUDE: 39.97225
 LONGITUDE: 109.31033

PROPOSED FORMATION: PRRV

RECEIVED AND/OR REVIEWED:

- ☒ Plat
- ☒ Bond: Fed[1] Ind[] Sta[] Fee[]
(No. NM 2308)
- ☒ Potash (Y/N)
- ☒ Oil Shale 190-5 (B) or 190-3 or 190-13
- ☒ Water Permit
(No. 49-1501)
- ☒ RDCC Review (Y/N)
(Date: _____)
- ☒ Fee Surf Agreement (Y/N)

LOCATION AND SITING:

- R649-2-3.
- Unit _____
- R649-3-2. General
Siting: 460' From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- ☒ Drilling Unit
Board Cause No: 179-9
Eff Date: 12-28-1999
Siting: 4100' fr dnl u boundary & 920' fr other wds
- R649-3-11. Directional Drill

COMMENTS: _____

STIPULATIONS: 1- Federal approval



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Kathleen Clarke
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210

PO Box 145801

Salt Lake City, Utah 84114-5801

801-538-5340

801-359-3940 (Fax)

801-538-7223 (TDD)

June 12, 2003

EOG Resources, Inc.
PO Box 1910
Vernal, UT 84078

Re: South Chapita 2-3 Well, 489' FSL, 2020' FEL, SW SE, Sec. 3, T. 10 South, R. 23 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-35009.

Sincerely,

A handwritten signature in black ink, appearing to read 'J. R. Baza', written over a large, stylized 'S' shape.

John R. Baza
Associate Director

pab
Enclosures

cc: Uintah County Assessor
Bureau of Land Management, Vernal District Office

Operator: EOG Resources, Inc.
Well Name & Number South Chapita 2-3
API Number: 43-047-35009
Lease: UTU-80613

Location: SW SE Sec. 3 T. 10 South R. 23 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

005

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL ☐ GAS WELL ☒ OTHER _____

2. NAME OF OPERATOR:
EOG RESOURCES, INC.

3. ADDRESS OF OPERATOR:
P.O. BOX 1910 CITY VERNAL STATE UT ZIP 84078

PHONE NUMBER:
(435) 789-4120

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 489' FSL, 2020' FEL

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSE 3 10S 23E S

COUNTY: UINTAH

STATE: UTAH

5. LEASE DESIGNATION AND SERIAL NUMBER:
UTU-80613

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

8. WELL NAME and NUMBER:
SOUTH CHAPITA 2-3

9. API NUMBER:
4304735009

10. FIELD AND POOL, OR WILDCAT:
NATURAL BUTTES

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input checked="" type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

See attachments for revised drilling program and BOP diagram

NAME (PLEASE PRINT) Ed Trotter

TITLE Agent

SIGNATURE

DATE 8/6/2003

(This space for State use only)

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING

Federal Approval Of This
Action Is Necessary

RECEIVED
AUG 12 2003

(5/2000)

DATE: 8/29/2003

(See Instructions on Reverse Side)

BY: John R. Bayne

EIGHT POINT PLAN

SOUTH CHAPITA 2-3 SW/SE, SEC. 3, T10S, R23E, S.L.B.&M. UINTAH COUNTY, UTAH

1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:

FORMATION	DEPTH	TYPE ZONES	MAXIMUM PRESSURE
Green River			
Wasatch	4,042'		
Island	6,268'		
KMV Price River	6,468'		
KMV Price River Middle	6,893'		
KMV Price River Lower	7,543'		
Bit Trip Sego	7,908'		
Sego	7,968'		

EST. TD: 8150

Anticipated BHP 3500 PSI

3. PRESSURE CONTROL EQUIPMENT: BOP Schematic Diagram attached.

4. CASING PROGRAM:

						<u>MINIMUM SAFETY FACTOR</u>			
<u>HOLE SIZE</u>	<u>INTERVAL</u>	<u>LENGTH</u>	<u>SIZE</u>	<u>WEIGHT</u>	<u>GRADE</u>	<u>THREAD</u>	<u>COLLAPSE</u>	<u>BURST</u>	<u>TENSILE</u>
17 1/2"	0' - 250'±	250'±	13 3/8"	48.0#	H-40	ST&C	770 PSI	1730 PSI	322,000#
12 1/4"	250' - 2500'±	2500'±	9 5/8"	36.0 #	J-55	ST&C	2020 PSI	3520 PSI	394,000#
7 7/8"	2500' - 8150'	8150'	4 1/2"	11.60 #	N-80	LT&C	6350 PSI	7780 PSI	223,000#

If conductor drive pipe is used, it will be left in place if its total length is less than 20 feet below the surface. If the total length of the drive pipe is equal to or greater than 20 feet, it will be pulled prior to cementing surface casing, or it will be cemented in place. The minimum diameter of the conductor drive pipe will be 13 3/8".

All casing will be new or inspected.

5. Float Equipment:

SURFACE HOLE PROCEDURE (0-250' Below GL):

Guide Shoe

Insert Baffle

Wooden wiper plug

Centralizers: 1 – 5-10' above shoe, every collar for next 3 joints (4 total).

Have bottom of first collar tack-welded, guide shoe and top of first collar thread-locked.

INTERMEDIATE HOLE PROCEDURE (250-2500'):

Guide Shoe

Insert Float Collar (PDC drillable)

Cents.: 1-5' above shoe, top of jts. #2 and #3 then every 5th joint to surface. (15 total)

RECEIVED
AUG 12 2003

EIGHT POINT PLAN

SOUTH CHAPITA 2-3

SW/SE, SEC. 3, T10S, R23E, S.L.B.&M.

UINTAH COUNTY, UTAH

Float Equipment (Continued):

INTERMEDIATE HOLE PROCEDURE (250-2500'):

Have bottom of collar on jt. #1 tack-welded, thread-lock guide shoe and top of jt. #1.

PRODUCTION HOLE PROCEDURE (2500-TD'):

FS, 1 joint of casing, FC, and balance of casing to surface. Run 11.6#, N-80 burst rating or equivalent marker collars or short casing joints at $\pm 6,468$ (Top of Price River) and $\pm 3,600$ (400' above the Wasatch) (alter depth if needed to avoid placing across any potentially- productive intervals). Centralize 5' above shoe on joint #1, top of joint #2, then every 2nd joint to 400' above Island top (50 total). Thread lock FS, top and bottom of FC, and top of 2nd joint.

6. MUD PROGRAM:

SURFACE HOLE PROCEDURE (0-250' Below GL):

Air – Air Water Mist

INTERMEDIATE HOLE PROCEDURE (250-2500')

Water (circulate through reserve pit) with Gel/LCM sweeps.

PRODUCTION HOLE PROCEDURE (2500'-TD'):

2700' - 4500' Water (circulate through reserve pit) with Gel/LCM sweeps.

4500' - 6900' Close in mud system. "Mud up" with 6.0 ppb Diammonium Phosphate (DAP). Drill with DAP water, POLYPLUS for viscosity and hole cleaning, adding KLA-GARD B for supplemental inhibition. Also sweep hole periodically w/ Durogel / LCM sweeps to clean the hole and seal loss zones. Add additional LCM as hole dictates. Mud weight and vis as needed, water loss – no control.

6900' - TD Discontinue KLA-GARD B. Utilize POLYPAC-R for fluid loss control. Maintain 5.5 ppb DAP. Do not mix caustic or lime. Maintain 7.5-8.5 pH. Weight up system and add vis as hole conditions require. Run LCM sweep periodically to seal off loss zones or more often as hole dictates. Water loss: 20 cc's maximum. Expect increasing gas shows requiring heavier mud weights from top of Island onward. Treat CO₂ contamination with DESCO CF and OSIL (Oxygen scavenger) if mud properties dictate.

7. VARIANCE REQUESTS:

- A. EOG Resources, Inc. requests a variance to regulations requiring a straight run blooie line (Where possible, a straight run blooie line will be used).
- B. EOG Resources, Inc. requests a variance to regulations requiring an automatic ignitor or continuous pilot light on the blooie line. (Not required on aerated water system).

EIGHT POINT PLAN

SOUTH CHAPITA 2-3
SW/SE, SEC. 3, T10S, R23E, S.L.B.&M.
UINTAH COUNTY, UTAH

VARIANCE REQUESTS (Continued):

C. EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length.
To reduce location excavation, the blooie line will be 75' in length.

8. EVALUATION PROGRAM:

Logs: Schlumberger Platform Express TD – Surface Casing, with Di-pole Sonic from TD to surface in 1 run.

9. CEMENT PROGRAM:

SURFACE HOLE PROCEDURE (0-250' Below GL):

Lead: 300 sks (100% excess volume) Class 'G' cement with 2% S1 (CaCl₂) & 0.25 pps D29 (cellophane flakes), mixed at 15.8 ppg, 1.16 ft³/sk., 4.95 gps water.

Top Out: Top out with Class 'G' cement with 2% S1 (CaCl₂) in mix water, 15.8 ppg, 1.16 ft³/sk., 4.95 gps via 1" tubing set at 25' if needed.

INTERMEDIATE HOLE PROCEDURE (250-2500'):

Lead: 85 sks: (50% excess volume) Class 'G' lead cement (coverage from 1700-1000') with 5% D44 (Salt), 12% D20 (Bentonite), 1% D79% (Extender), 0.25% D112 (Fluid Loss Additive), 0.2% D46 (Anti-Foamer) & 0.25 pps D29 (Cellophane flakes) mixed at 11.0 ppg, 3.91 ft³/sk., 24.5 gps water.

Tail: 290 sks: (50% excess volume) Class 'G' cement (coverage from 2700-1700') with 10% D53 (Gypsum), 2% S1 (CaCl₂) & 0.25 pps D29 (Cellophane flakes) mixed at 14.2 ppg, 1.61 ft³/sk., 7.9 gps water.

PRODUCTION HOLE (2500-TD')

Lead: 110 sks 35:65 Poz G w/ 4% D20 (Bentonite), 2% D174 (Extender), 0.2% D65 (Dispersant), 0.2% D46 (Antifoam), 0.75% D112 (Fluid Loss Additive), 0.15% D13 (Retarder), 0.25 pps D29 (cello flakes), mixed at 13.0 ppg, 1.73 cu. ft./sk., 9.06 gps water

Tail: 90 sks: 50:50 Poz G w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.15% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 cu. ft./sk., 5.9 gps water.

10. ABNORMAL CONDITIONS:

INTERMEDIATE HOLE (250' Below GL – 2,500'):

Potential Problems: Lost circulation below 1800'

EIGHT POINT PLAN

SOUTH CHAPITA 2-3

SW/SE, SEC. 3, T10S, R23E, S.L.B.&M.
UINTAH COUNTY, UTAH

ABNORMAL CONDITIONS (Continued):

PRODUCTION HOLE (2500-TD')

Potential Problems: Sloughing shales and key seat development are possible in the Wasatch Formation. CO₂ contamination in the mud is possible in the Price River (Mesa Verde).

11. STANDARD REQUIRED EQUIPMENT:

- A. Choke Manifold
- B. Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

12. HAZARDOUS CHEMICALS:

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

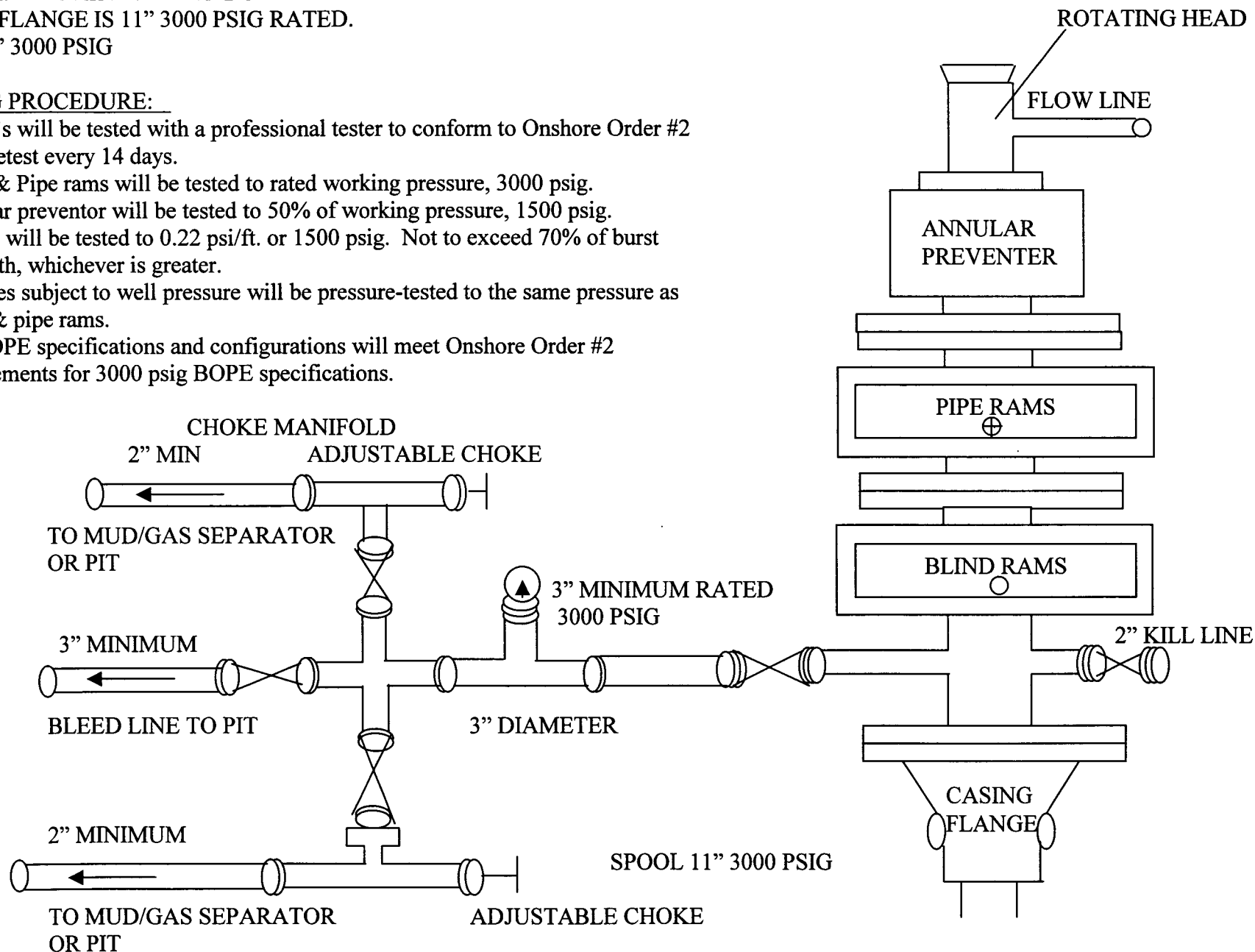
(Attachment: BOP Schematic Diagram)

3000 PSIG DIAGRAM

ANNULAR PREVENTOR AND BOTH RAMS ARE 3000 PSIG RATED.
CASING FLANGE IS 11" 3000 PSIG RATED.
BOPE 11" 3000 PSIG

TESTING PROCEDURE:

1. BOPE's will be tested with a professional tester to conform to Onshore Order #2 with retest every 14 days.
2. Blind & Pipe rams will be tested to rated working pressure, 3000 psig.
3. Annular preventor will be tested to 50% of working pressure, 1500 psig.
4. Casing will be tested to 0.22 psi/ft. or 1500 psig. Not to exceed 70% of burst strength, whichever is greater.
5. All lines subject to well pressure will be pressure-tested to the same pressure as blind & pipe rams.
6. All BOPE specifications and configurations will meet Onshore Order #2 requirements for 3000 psig BOPE specifications.



CONFIDENTIAL

DIVISION OF OIL, GAS AND MINING**SPUDDING INFORMATION**Name of Company: EOG RESOURCES INCWell Name: S CHAPITA 2-3Api No: 43-047-35009 Lease Type: FEDERALSection 03 Township 10S Range 23E County UINTAHDrilling Contractor CRAIG'S SERVICES RIG # AIR**SPUDDED:**Date 08/25/03Time 4:00 PMHow ROTARY**Drilling will commence:** _____Reported by ED TROTTERTelephone # 1-435-789-4120Date 08/26/2003 Signed: CHD

006

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

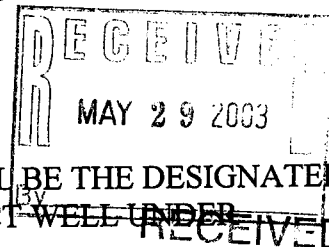
1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		5. Lease designation and serial number UTU-80613
b. TYPE OF WELL Oil <input type="checkbox"/> Gas <input checked="" type="checkbox"/> Well <input type="checkbox"/> Well <input checked="" type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone <input type="checkbox"/>		6. If Indian, Allottee or Tribe name
2. Name of Operator EOG RESOURCES, INC.		7. Unit Agreement Name
3. Address and Telephone Number P.O. BOX 1910, VERNAL, UT 84078 (435)789-4120		8. Farm or lease name, well no. SOUTH CHAPITA 2-3
4. Location of Well (Report location clearly and in accordance with any State requirements.) At surface 489' FSL & 2020' FEL SW/SE At proposed prod. Zone		9. API Well No.
14. Distance in miles and direction from nearest town or post office 28.12 MILES SOUTHEAST OF OURAY, UTAH		10. Field and pool, or wildcat NATURAL BUTTES
15. Distance from proposed location to nearest property or lease line, ft. 489' (Also to nearest drig. Unit line, if any)		11. Sec., T., R., M., or BLK. and survey or area SEC. 3, T10S, R23E
16. No. of acres in lease 642		12. County or parish UINTAH
17. No. of acres assigned to this well		13. State UTAH
18. Distance from proposed location to nearest well, drilling, completed, or applied for, on this lease, ft.		20. Rotary or cable tools ROTARY
19. Proposed depth 8150'		21. Elevations (show whether DF, RT, GR, etc.) 5377.3 FEET GRADED GROUND
22. Approx. date work will start UPON APPROVAL		

23. PROPOSED CASING AND CEMENTING PROGRAM					
SIZE OF HOLE	GRADE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	J-55	8 5/8" (or)	24#	300'+/-	SEE 8 POINT PLAN
12 1/4"	J-55	9 5/8"	36.0#	300'+/-	SEE 8 POINT PLAN
7 7/8"	N-80	4 1/2"	11.60#	8150'	SEE 8 POINT PLAN

SEE ATTACHMENTS FOR:

8 POINT PLAN
BOP SCHEMATIC
SURFACE USE AND OPERATING PLAN
LOCATION PLAT
LOCATION LAYOUT
TOPOGRAPHIC MAPS "A", "B", AND "C"
GAS SALES PIPELINE—MAP "D"

CONFIDENTIAL



EOG RESOURCES, INC. WILL BE THE DESIGNATED
OPERATOR OF THE SUBJECT WELL UNDER
BOND #NM 2308

AUG 28 2003

Pc: UTAH DIVISION OF OIL, GAS, AND MINING

DIV. OF OIL, GAS & MINING

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED [Signature] TITLE Agent DATE 5-15-2003

NOTICE OF APPROVAL

CONDITIONS OF APPROVAL ATTACHED

PERMIT NO. _____ APPROVAL DATE _____
Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
CONDITIONS OF APPROVAL, IF ANY:
APPROVED BY [Signature] acting Assistant Field Manager DATE 8/20/03
TITLE Mineral Resources

02P50A750

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Company/Operator: EOG Resources Inc.

Well Name & Number: SOUTH CHAPITA 2-3

API Number: 43-047-35009

Lease Number: UTU – 80613

Location: SWSE Sec. 03 TWN: 10S RNG: 23E

Agreement: N/A

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Submit an electronic copy of all logs run on this well in LAS format. This submission will replace the requirement for submittal of paper logs to the BLM

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

A. DRILLING PROGRAM

1. Estimated Depth at Which Oil, Gas, Water, or Other Mineral Bearing Zones are Expected to be Encountered

Report ALL water shows and water-bearing sands encountered to John Mayers of this office prior to setting the next casing string or requesting plugging orders. Faxed copies of State of Utah form OGC-8-X are acceptable. If noticeable water flows are detected, submit samples to this office along with any water analyses conducted.

All usable water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

2. Pressure Control Equipment

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc., for a **5M** system and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests.

Test charts, with individual test results identified, shall be maintained on location while drilling and shall be made available to a BLM representative upon request.

If an air compressor is on location and is being utilized to provide air for the drilling medium while drilling, the special drilling requirements in Onshore Oil and Gas Order No. 2, regarding air or gas drilling shall be adhered to. If a mist system is being utilized then the requirement for a deduster shall be waived.

3. Casing Program and Auxiliary Equipment

Surface casing shall have centralizers on the bottom three joints, with a minimum of one centralizer per joint. Surface casing setting depths are based on ground level elevations only.

As a minimum, the usable water and other valuable resources shall be isolated and/or protected by having a cement top for the tail cement at least 300 ft. above all potentially productive zones and an overall cement top for the production casing at least 200 ft. above the top of the Green River Formation, identified at 1,362 ft. If gilsonite is encountered while drilling, it shall be isolated and/or protected via the cementing program.

4. Mud Program and Circulating Medium

Hazardous substances specifically listed by the EPA as a hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing, or completion operations.

No chromate additives will be used in the mud system on Federal and Indian lands without prior BLM approval to ensure adequate protection of fresh water aquifers.

5. Coring, Logging and Testing Program

Daily drilling and completion progress reports shall be submitted to this office on a weekly basis.

All Drill Stem tests (DST) shall be accomplished during daylight hours, unless specific approval to start during other hours is obtained from the AO. However, DSTs may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e., lighting which is adequate for visibility and vapor proof for safe operations). Packers can be released, but tripping should not begin before daylight unless prior approval is obtained from the AO.

A cement bond log (CBL) will be run from the production casing shoe to top of the cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the AO.

6. Notifications of Operations

No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior approval of the AO will be obtained and notification given before resumption of operations.

Operator shall report production data to MMS pursuant to 30 CFR 216.5 using form MMS/3160.

Immediate Report Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.

If a replacement rig is contemplated for completion operations, a "Sundry Notice" (Form 3160-5) to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig. The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which gas is first measured through permanent metering facilities, whichever first occurs.

Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communication, not later than five (5) days following the date on which the well is placed on production.

Gas produced from this well may not be vented or flared beyond an initial authorized test period of 30 days or 50 MMCF following its completion, whichever occurs first, without the prior written approval of the Authorized Officer. Should gas be vented or flared without approval beyond the authorized test period, the operator may be directed to shut in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted and the operator shall be required to compensate the lessor for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.

A schematic facilities diagram as required by 43 CFR 3162.7-5(d) shall be submitted to the appropriate Field Office within 60 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-5 (1).

No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the AO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within thirty (30) days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.

7. **Other Information**

All loading lines will be placed inside the berm surrounding the tank battery. All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the AO.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries and tested for meter accuracy at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal District Office.

All meter measurement facilities will conform with Onshore Oil & Gas Order No. 4 for liquid hydrocarbons and Onshore Oil & Gas Order No. 5 for natural gas measurement.

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

There will be no deviation from the proposed drilling and/or workover program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned will be identified in accordance with 43 CFR 3162.

"Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that "not later than the 5th business day after any well begins production on which royalty is due anywhere on a lease site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

If you fail to comply with this requirement in the manner and time allowed, you shall be liable for a civil penalty of up to \$10,000 per violation for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3162.4-1(b)(5)(ii).

APD approval is valid for a period of one (1) year from the signature date. An extension period may be granted, if requested, prior to the expiration of the original approval period.

In the event after-hours approvals are necessary, you must contact one of the following individuals:

Ed Forsman (435) 828-7874
Petroleum Engineer

Kirk Fleetwood (435) 828-7875
Petroleum Engineer

BLM FAX Machine (435) 781-4410

EPA'S LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES

While the following wastes are nonexempt, they are not necessarily hazardous.

Unused fracturing fluids or acids

Gas plant cooling tower cleaning wastes

Painting wastes

Oil and gas service company wastes, such as empty drums, drum rinsate, vacuum truck rinsate, sandblast media, painting wastes, spent solvents, spilled chemicals, and waste acids

Vacuum truck and drum rinsate from trucks and drums, transporting or containing nonexempt waste

Refinery wastes

Liquid and solid wastes generated by crude oil and tank bottom reclaimers

Used equipment lubrication oils

Waste compressor oil, filters, and blowdown

Used hydraulic fluids

Waste solvents

Waste in transportation pipeline-related pits

Caustic or acid cleaners

Boiler cleaning wastes

Boiler refractory bricks

Incinerator ash

Laboratory wastes

Sanitary wastes

Pesticide wastes

Radioactive tracer wastes

Drums, insulation and miscellaneous solids

CONDITIONS OF APPROVAL
FOR THE SURFACE USE PROGRAM OF THE
APPLICATION FOR PERMIT TO DRILL

Conditions for Approval are in the APD

8/29/2003

EOG Resources - JRB notes

Ed Trotter 435-789-4120
435-789-1420 fax

DM brought sundry notice dated 8/29/03 to JRB along w/ well file for South Chapita #2-3 well - claimed that Ed Trotter was seeking approval of a rig skid and replacement well. I called and left message for Mr. Trotter at 1:00 p.m. Called and left another message at 1:55 p.m.

2:05 p.m., Ed Trotter

- He has contacted Ed Forsman of the Vernal BLM office - received verbal approval to rig skid based on DOGM's approval of well siting.
- Intends on using same drilling program with modifications as submitted on 8/12/2003.
- Needs spud notice & P&A subsequent report - include on same Sundry notice ~~as~~ as a Condition of Approval for new well.
- Reason for rig skid: operational error put 8 $\frac{5}{8}$ " casing in hole when they really wanted 13 $\frac{3}{8}$ " casing.

009

STATE OF UTAH
DIVISION OF OIL, GAS AND MININGOPERATOR: EOG Resources, Inc.
ADDRESS: P.O. BOX 250
BIG PINEY, WYOMING 83113OPERATOR ACCT. NO. 9550
FAX: EARLENE RUSSELL
(801) 359-3940

ENTITY ACTION FORM - FORM 8

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	LOCATION				COUNTY	SPUD DATE	EFFECTIVE DATE
					QQ	SEC.	TP	RG			
A	99999	13867	35009 43-047-	SOUTH CHAPITA 2-3	SW/SE	3	10S	23E	UINTAH	8/25/2003	9/10/03
PRRV											

ACTIONS CODES (See instructions on back of form)

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (explain in comments section)

NOTE: Use COMMENT section to explain why each Action Code was selected.

Katy Carlson
 Signature
 Regulatory Analyst
 Title
 Date 8/29/2003

Phone No. (307) 276-4842

(3/89)

RECEIVED

AUG 29 2003

DIV. OF OIL, GAS & MINING

F-156 P.01/01 T-844

3072763935

From-EOG - BIG PINEY, WY.

Aug-29-03 10:30am

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires: January 31, 2004

010

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

EOG RESOURCES, INC.

3a. Address

P.O. BOX 250, BIG PINEY, WYOMING 83113

3b. Phone No. (include area code)

(307) 276-4842

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

489' FSL - 2020' FEL (SW/SE)

SECTION 3, T10S, R23E

5. Lease Serial No.

UTU 80613

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

SOUTH CHAPITA 2-3

9. API Well No.

43-047-35009

10. Field and Pool, or Exploratory Area

NATURAL BUTTES/MESAVERDE

11. County or Parish, State

UINTAH,

UTAH

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other <u>SPUD</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

3. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

EOG Resources, Inc. spud 12-1/4" surface hole at the subject location 8/25/2003. The constractor was Craig's Air Rig. Ed Forsman of the Vernal BLM office and Carol Daniels of the Utah Division of Oil, Gas & Mining were notified of spud 8/25/2003.

RECEIVED
SEP 02 2003
DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

KATY CARLSON

Title REGULATORY ANALYST

Signature

Katy Carlson

Date AUGUST 29, 2003

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by (Signature)

Name
(Printed/Typed)

Title

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Date

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Continued on next page)

CONFIDENTIAL

FORM 9

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

011

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-80613
2. NAME OF OPERATOR: EOG RESOURCES, INC.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: P.O. BOX 1910 CITY VERNAL STATE UT ZIP 84078		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 489' FSL, 2020' FEL		8. WELL NAME and NUMBER: SOUTH CHAPITA 2-3
5. PHONE NUMBER: (435) 789-4120		9. API NUMBER: 4304735009
6. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSE 3 10S 23E S		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
7. COUNTY: UINTAH		8. STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input checked="" type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

On August 31, 2003, the subject well was plugged by running 150' of 1" pipe down the 8 5/8" surface casing and pumping 70 SX of Class "G" cement down the 1" pipe--(14.3 BBLs). Mixed cement @ 15.8 ppg w/ yield of 1.15 cf/sx. Had 2 bbls cement return to surface. Cut casing off 2 feet below ground level and capped with a 1/4" plate and dry hole marker on top of pipe.

RECEIVED
OCT 21 2003
DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) <u>Ed Trotter</u>	TITLE <u>Agent</u>
SIGNATURE <u><i>Ed Trotter</i></u>	DATE <u>10/3/2003</u>

(This space for State use only)

012

Form 3160-4
(August 1999)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

CONFIDENTIAL

FORM APPROVED
OMB No. 1004-0137
Expires: November 30, 2000

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No.
UTU 806131a. Type of Well ☐ Oil Well ☒ Gas Well ☐ Dry ☐ Other
b. Type of Completion ☒ New Well ☐ Work Over ☐ Deepen ☐ Plug Back ☐ Diff. Resvr.
Other _____

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.

2. Name of Operator
EOG RESOURCES, INC.

Contact: KATY CARLSON

E-Mail: Kathleen_Carlson@EOGResources.com

8. Lease Name and Well No.
SOUTH CHAPITA 2-33. Address P.O. BOX 250
BIG PINEY, WY 831133a. Phone No. (include area code)
Ph: 307.276.48429. API Well No.
43-047-35009

4. Location of Well (Report location clearly and in accordance with Federal requirements)*

At surface SWSE 489FSL 2020FEL 39.97206 N Lat, 109.31023 W Lon

At top prod interval reported below SWSE 489FSL 2020FEL 39.97206 N Lat, 109.31023 W Lon

At total depth SWSE 489FSL 2020FEL 39.97206 N Lat, 109.31023 W Lon

10. Field and Pool, or Exploratory
SOUTH CHAPITA/MESAVERDE11. Sec., T., R., M., or Block and Survey
or Area Sec. 2 T10S R23E Mer SLB12. County or Parish
UINTAH13. State
UT14. Date Spudded
08/25/200315. Date T.D. Reached
08/27/200316. Date Completed
☒ D & A ☐ Ready to Prod.
08/31/200317. Elevations (DF, KB, RT, GL)*
5377 GL18. Total Depth: MD 270
TVD19. Plug Back T.D.: MD 9
TVD20. Depth Bridge Plug Set: MD
TVD21. Type Electric & Other Mechanical Logs Run (Submit copy of each)
N/A22. Was well cored? ☒ No ☐ Yes (Submit analysis)
Was DST run? ☒ No ☐ Yes (Submit analysis)
Directional Survey? ☒ No ☐ Yes (Submit analysis)

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12.250	9.625 J-55	36.0	0	235		175			

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A)						
B)						
C)						
D)						

26. Perforation Record

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

Depth Interval	Amount and Type of Material

28. Production - Interval A

DIV. OF OIL, GAS & MIN.

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
			→						

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
			→						

(See Instructions and spaces for additional data on reverse side)

ELECTRONIC SUBMISSION #24908 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

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RECEIVED

NOV 12 2003

CONFIDENTIAL
PERIOD
EXPIRED

ON 9-30-04

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	

29. Disposition of Gas(Sold, used for fuel, vented, etc.)
UNKNOWN

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top Meas. Depth
WASATCH	4042	6268	SANDSTONE		
ISLAND	6268	6468	SANDSTONE		
KMV PRICE RIVER	6468	6893	SANDSTONE		
MIDDLE PRICE RIVER	6893	7543	SANDSTONE		
LOWER PRICE RIVER	7543	7908	SANDSTONE		
SEGO	7908	8150	SANDSTONE		

32. Additional remarks (include plugging procedure):

33. Circle enclosed attachments:

- | | | | |
|---|--------------------|---------------|-----------------------|
| 1. Electrical/Mechanical Logs (1 full set req'd.) | 2. Geologic Report | 3. DST Report | 4. Directional Survey |
| 5. Sundry Notice for plugging and cement verification | 6. Core Analysis | 7. Other: | |

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions):

**Electronic Submission #24908 Verified by the BLM Well Information System.
For EOG RESOURCES, INC., will be sent to the Vernal**

Name (please print) KATY CARLSON

Title REGULATORY ANALYST

Signature _____ (Electronic Submission)

Katy Carlson

Date 11/07/2003

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

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